

Notice
of
Rulemaking Hearing

Department of Commerce and Insurance
Division of Regulatory Boards
Burial Services Section

There will be a hearing before the Commissioner of Commerce and Insurance to consider the promulgation of an amendment to Rule 0780-05-10-.14 of the rules of the Department of Commerce and Insurance, Division of Regulatory Boards, Burial Services section relating to the registration of preneed sellers and preneed sales agents pursuant to T.C.A. § 62-5-413(b). The hearing will be conducted in the manner prescribed by the Uniform Administrative Procedures Act, T.C.A. § 4-5-204, and will take place in Room 160, Davy Crockett Tower, 500 James Robertson Parkway, Nashville, Tennessee 37243 at 09:00 a.m.(CST) on the 28th day of April, 2008.

Any individuals with disabilities who wish to participate in these proceedings (or review these filings) should contact the Department of Commerce and Insurance to discuss any auxiliary aids or services needed to facilitate such participation. Such initial contact may be made no less than ten (10) days prior to the scheduled meeting date (or the date the party intends to review such filings) to allow time for the department to determine how it may reasonably provide such aid or service. Initial contact may be made with Don Coleman, ADA Coordinator, Department of Commerce and Insurance, 500 James Robertson Parkway, Nashville, Tennessee 37243, at (615) 741-0481.

For a copy of this notice of rulemaking hearing, contact: Robert Gribble, Executive Director, Burial Services Section, 500 James Robertson Parkway, 2nd Floor, Nashville, Tennessee 37243, (615) 741-5062.

Substance of Proposed Rules

Chapter 0780-05-10
Pre-need Funeral Service Contracts

Amendments

Rule 0780-05-10-.14 Registration of Contract Sellers; Fees is amended by deleting the rule in its entirety and substituting the following language so that as amended the rule shall read:

0780-05-10-.14 Registration of pre-need sellers and pre-need sales agents; Fees.

- (1) No individual may offer or sell preneed funeral contracts as defined in Tenn. Code Ann. Title 62, Chapter 5, Part 4 without first registering with the commissioner as a preneed sales agent.
- (2) No funeral establishment or other individual, firm, partnership, company, corporation, or association may offer or sell preneed funeral contracts without first registering with the commissioner as a preneed seller.
- (3) An application for registration or renewal as a preneed seller or preneed sales agent shall be submitted on a form prescribed by the commissioner and shall be accompanied by a nonrefundable fee as follows:
 - (a) Seven hundred fifty dollars (\$750.00) for a pre-need seller;

- (b) One hundred fifty dollars (\$150.00) for a pre-need sales agent.
- (4) All registrations shall be effective for two (2) years.
- (5) The certificates of registration for preneed sellers and preneed sales agents may be renewed at any time during the two (2) months preceding the date of expiration.
- (6) Certificates of registration not renewed by the expiration date are invalid and shall be subject to a penalty fee of five hundred dollars (\$500) for a preneed seller and one hundred dollars (\$100) for a preneed sales agent for each month or portion thereof for which the renewal is late, for a maximum of two (2) months. The penalty fee is in addition to the renewal fee.
- (7) Certificates of registration shall not be renewed later than two (2) months after the expiration date of such certificate. Such certificates may be reinstated upon the submission of the proper form accompanied by a reinstatement fee of two thousand five hundred dollars (\$2,500) for a preneed seller and five hundred dollars (\$500) for a preneed sales agent.

Authority: T.C.A. §§ 62-5-403, 62-5-404, 62-5-405 and 62-5-413, effective January 1, 2008.

The notice of rulemaking set out herein was properly filed in the Department of State on the 27th day of February, 2008. (FS 02-18-08; DBID)